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Direct Line: 602-542-3682 Fax: 602-542-3708 E-mail: mgleason@azcc.gov

ORIGINAL

ARIZONA CORPORATION COMMISSION

July 17, 2008

Raymond S. Heyman Senior Vice President and General Counsel Tucson Electric Power Company One South Church Ave., Suite 1820 Tucson, Arizona 85701

RE:

Tucson Electric Power Company Rate Case

Docket Nos. E-01933A-07-0402 & E-01933A-05-0650

Dear Mr. Heyman:

Anizona Corporation Commission

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JUL 17 2008

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To aid me in my future full consideration of this matter, I would like Tucson Electric Power Company ("TEP") to file in this Docket a late filed exhibit showing:

- 1. What TEP believes the base cost of fuel and purchased power should be in the proposed Purchased Power and Fuel Adjustor Charge ("PPFAC") if 2007 costs were used.
- 2. What TEP believes the base cost of fuel and purchased power should be in the proposed PPFAC if the first half 2008 costs were used.

This late filed exhibit should be filed no later than August 8, 2008. In addition, the filing should include detailed support documentation adequate to allow all the parties to this case to comment on whether they agree or disagree on the calculation of the costs, i.e., if the Commission were to adopt the proposed PPFAC with either of these updated costs (2007 or 2008), are the costs accurate?

Any party to this case who wishes to file comments on the accuracy of the costs contained in this late filed exhibit should do so by August 29, 2008. I will interpret the lack of a response by a party to mean that the party agrees with TEP's costs calculations.

Sincerely.

Mike Gleason Chairman

cc: Docket Control

Jane L. Rodda, Administrative Law Judge William A. Mundell, Commissioner Jeff Hatch-Miller, Commissioner Kristin K. Mayes, Commissioner Gary Pierce, Commissioner

All Parties of Record

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